REMARKS

I. <u>Introduction</u>

Claims 1 to 27 are currently pending in the present application. In view of the foregoing amendments and the following remarks, it is respectfully submitted that all of the presently pending claims are allowable, and reconsideration of the present application is respectfully requested.

Applicants note with appreciation the acknowledgment of the claim to foreign priority and the indication that all certified copies of the priority documents have been received.

Applicants thank the Examiner for considering the previously filed Information Disclosure Statement, PTO-1449 paper, and cited references.

II. <u>Claim objections</u>

While Applicants respectfully disagree with the merits of the raised objection, claims 1 and 8 have been amended herein without prejudice to recite "an annealing step" and "prior to the annealing step, initially annealing." It is therefore respectfully submitted that the present objection has been obviated, and withdrawal of this objection is respectfully requested.

III. Rejection of Claims 1 to 27 Under 35 U.S.C. § 103(a)

Claims 1 to 6 were rejected under 35 U.S.C. § 103(a) as unpatentable over the combination of U.S. Patent No. 5,268,140 ("Rutz") and U.S. Patent No. 5,506,199 ("Bock '199"). It is respectfully submitted that the combination of Rutz and Bock '199 does not render unpatentable any of claims 1 to 6 for the following reasons.

Claim 1 is related to a method for manufacturing a pressed part and recites annealing the pressed part in a gas mixture of inert gas <u>and</u> oxygen, a concentration of oxygen in the gas mixture being between 1% and 10% by volume.

As the Office Action admits, neither Rutz nor Bock '199 suggests an annealing atmosphere that includes a mixture of inert gas and oxygen, where the concentration of oxygen in the gas mixture is between 1% and 10% by volume. The Office Action asserts that the specification does not show that the specific claimed concentration yields new and unexpected results. The specification discloses that it has been proved to be advantageous for the annealing atmosphere to include a certain

minimum amount of oxygen, e.g., page 4, lines 4 to 8. The specification further discloses that there is an advantage to a reduced concentration of oxygen in the annealing atmosphere, for example for improved magnetic properties of the pressed parts, e.g., page 4, lines 8 to 12. Thus, the specification discloses an advantage to including oxygen, and not only an inert gas, within the annealing atmosphere, and at the same time, to reducing the concentration of the oxygen.

The Office Action further asserts that the specification discloses that the annealing can take place in air, an inert gas, or a gas mixture. However, the specification discloses two annealing steps. The specification calls for an *initial* annealing step in which air, an inert gas, or a gas mixture can be used as the annealing atmosphere. But following this annealing step, is a second annealing step in which the discussed mixture of oxygen and inert gas is used, e.g., page 6, line 33 to page 7, line 35.

The Office Action asserts that it would have been obvious to modify the air atmosphere in Rutz to decrease the concentration of oxygen in the air. However, prior art references must be considered as a whole, including portions that teach away from the claimed invention. W.L. Gore & Associates, Inc. v. Garlock, Inc., 721 F.2d 1540 (Fed. Cir. 1983). Rutz states, "[a]Ithough slight increases in strength were observed for the nitrogen environment, it is unclear whether or not these increases in strength are the result of a lack of oxygen during the heat treatment step." Rutz, column 8, line 66 to column 9, line 1. Thus, Rutz clearly teaches away from reducing the oxygen concentration in the annealing atmosphere.

Although Bock '199 may discuss an annealing atmosphere of inert gas and oxygen, nowhere does Bock '199 disclose the recited reduced oxygen concentration. Neither Rutz nor Bock '199 suggests a desire for reducing the oxygen concentration in the gas mixture.

Thus, the combination of Rutz and Bock '199 does not teach each limitation of claim 1. It is therefore respectfully submitted that the combination of Rutz and Bock '199 does not render unpatentable claim 1.

Claims 2 to 6 ultimately depend from claim 1 and therefore include all the limitations of claim 1. As set forth above, the combination of Rutz and Bock '199 does not render unpatentable claim 1. Accordingly, without passing judgment on the merits of the Office Action's assertions regarding the limitations of claims 2 to 6, it is

respectfully submitted that the combination of Rutz and Bock '199 does not render unpatentable claims 2 to 6, by virtue of these claims' dependence on allowable claim 1. In re Fine, 837 F.2d 1071 (Fed. Cir. 1988) (any dependent claim that depends from a non-obvious independent claim is non-obvious).

Claim 7 was rejected under 35 U.S.C. § 103(a) as unpatentable over the combination of Rutz, Bock '199, and U.S. Patent No. 6,383,281 ("Bayer"). It is respectfully submitted that the combination of Rutz, Bock '199, and Bayer does not render unpatentable claim 7 for the following reasons.

Claim 7 depends from claim 1 and therefore includes all the limitations of claim 1. As set forth above the combination of Rutz and Bock '199 does not render unpatentable claim 1. Bayer is not relied upon for disclosing or suggesting the features of claim 1 not disclosed or suggested by the combination of Rutz and Bock '199. Indeed, it is respectfully submitted that Bayer does not disclose or suggest the features of claim 1 not disclosed or suggested by the combination of Rutz and Bock '199. Accordingly, without passing judgment on the merits of the Office Action's assertions regarding the limitations of claim 7, it is respectfully submitted that the combination of Rutz, Bock '199, and Bayer does not render unpatentable claim 7, by virtue of this claim's dependence on allowable claim 1.

Claims 8 to 13 were rejected under 35 U.S.C. § 103(a) as unpatentable over the combination of Rutz, Bock '199, and U.S. Patent No. 5,047,391 ("Bock '391"). It is respectfully submitted that the combination of Rutz, Bock '199, and Bock '391 does not render unpatentable claims 8 to 13 for the following reasons.

Claims 8 to 13 ultimately depend from claim 1 and therefore include all the limitations of claim 1. As set forth above the combination of Rutz and Bock '199 does not render unpatentable claim 1. Bock '391 is not relied upon for disclosing or suggesting the features of claim 1 not disclosed or suggested by the combination of Rutz and Bock '199. Indeed, it is respectfully submitted that Bock '391 does not disclose or suggest the features of claim 1 not disclosed or suggested by the combination of Rutz and Bock '199. Accordingly, without passing judgment on the merits of the Office Action's assertions regarding the limitations of claims 8 to 13, it is respectfully submitted that the combination of Rutz, Bock '199, and Bock '391 does not render unpatentable claims 8 to 13, by virtue of these claims' dependence on allowable claim 1.

Claims 14 to 24, 26, and 27 were rejected under 35 U.S.C. § 103(a) as unpatentable over the combination of Rutz and Bock '391. It is respectfully submitted that the combination of Rutz and Bock '391 does not render unpatentable claims 14 to 24, 26, and 27 for the following reasons.

The Office Action asserts that Bock '391 discloses postforming an annealed part and re-annealing the pressed part. However, Bock '391 discusses *grinding* a powder, i.e. a mechanical processing of the powder, between multiple anneals. Bock '391 does not disclose, or suggest, *postforming* an annealed part. Therefore, the combination of Rutz and Bock '391 does not teach or suggest each limitation of claim 14.

It is therefore respectfully submitted that the combination of Rutz and Bock '391 does not render unpatentable claim 14.

Claims 15 to 24, 26, and 27 ultimately depend from claim 14 and therefore include all the limitations of claim 14. As set forth above, the combination of Rutz and Bock '391 does not render unpatentable claim 14. Accordingly, without passing judgment on the merits of the Office Action's assertions regarding the limitations of claims 15 to 24, 26, and 27, it is respectfully submitted that the combination of Rutz and Bock '391 does not render unpatentable claims 15 to 24, 26, and 27, by virtue of these claims' dependence on allowable claim 14.

Claim 25 was rejected under 35 U.S.C. § 103(a) as unpatentable over the combination of Rutz, Bock '391, and Bayer. It is respectfully submitted that the combination of Rutz, Bock '391, and Bayer does not render unpatentable claim 25 for the following reasons.

Claim 25 depends from claim 14 and therefore includes all the limitations of claim 14. As set forth above the combination of Rutz and Bock '391 does not render unpatentable claim 14. Bayer is not relied upon for disclosing or suggesting the features of claim 14 not disclosed or suggested by the combination of Rutz and Bock '391. Indeed, it is respectfully submitted that Bayer does not disclose or suggest the features of claim 14 not disclosed or suggested by the combination of Rutz and Bock '391. Accordingly, without passing judgment on the merits of the Office Action's assertions regarding the limitations of claim 25, it is respectfully submitted that the combination of Rutz, Bock '391, and Bayer does not render unpatentable claim 25, by virtue of this claim's dependence on allowable claim 14.

IV. Conclusion

In light of the foregoing, it is respectfully submitted that all pending claims 1 to 27 are in condition for allowance. Prompt reconsideration and allowance of the present application are therefore earnestly solicited.

Respectfully submitted,

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Rv.

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